FBIS DAILY REPORT

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'VISIBLE HARDENING' SEEN IN RELATIONS WITH U.S.

PY201540Y Paris AFP in Spanish 1448 GMT 20 Jul 78 PY

[Excerpts] Buenos Aires, 20 Jul--A visible hardening of U.S.-Argentine relations could be noticed here today after President Jimmy Carter's government denied Argentina a loan for $270 million on the basis of its human rights policy.

The measure taken by the Export-Import Bank (EXIMBANK) did not surprise government economic circles, which had already begun the search for other sources of financing for the Argentine-Paraguayan Yacyreta-Apipe dam project months ago.

Official sources today stated that U.S. discriminatory actions against Argentina had been occurring for some time. They recalled the prohibition of aid and arms sales to the military government headed by Gen Jorge Videla in 1977 and President Carter's omission of the Malvinas Islands issue in his speech during the last OAS meeting.

According to Argentine Foreign Ministry sources, the problem is undoubtedly of a political nature, involving personnel from the U.S. Department of State. It was stressed that these officials abide by rigid guidelines which make it impossible for them to distinguish the punishment of a government from the punishment of a people. It was also noted that the Yacyreta-Apipe project is aimed at improving socioeconomic conditions in vast areas of both Argentina and Paraguay.

The Argentine Foreign Ministry is equally concerned over the appearance of a critical feeling in certain Argentine sectors toward U.S. foreign policy. It was determined that the possibility of the commander in chief of the Argentine Navy and military junta member's suspending his trip to the United States and only visiting Venezuela could be related to this situation.

According to spokesmen for the Argentine Economy Ministry, the only result of EXIMBANK's attitude is the loss of U.S. industry's opportunity to participate in the huge Yacyreta project. The same sources stated that there will be no lack of offers to provide turbines for Yacyreta, including from Eastern Europe.

It was reported here that a well-known FRG enterprise and a Soviet industrial complex may go into partnership for this purpose, and that there may be other offers from European and Asian countries.

Local economic circles did not dismiss the possibility that other requests for U.S. loans from Argentine state-owned enterprises, such as Argentine Railways and Argentine Airlines, may be turned down.

Economy Ministry Comments

PY201405Y Buenos Aires Domestic Service in Spanish 1030 GMT 20 Jul 78 PY

[Excerpts] The Economy Ministry last night confirmed that the United States Export-Import Bank--EXIMBANK--rejected a request for financing the purchase of U.S. goods totaling $280 million for the Argentine-Paraguayan hydroelectric project, Yacyreta-Apipe, because of alleged human rights violations in Argentina.

The Yacyreta project will continue to develop since it has many alternatives for financing under the present favorable conditions offered by the Argentine economy to world financial circles. The Yacyreta binational enterprise is offering to various nations (European countries, the United States, Canada and Japan) the opportunity for their industry to participate in the bidding for supply of equipment to the project, as long as they also provide the necessary financing plans. Argentina has already received concrete and satisfactory offers to this effect from these countries, so that the only result of the EXIMBANK decision will be the loss of the opportunity for U.S. industry to participate in a project of Yacyreta's magnitude.

According to an article which appeared in the WALL STREET JOURNAL, Allis-Chambers President David Scott said: I hope that this can be resolved quickly because there are 18 million man hours for Americans at stake. He added that the Yacyreta enterprise would just try to buy the equipment from other countries where financing is available.

MINISTER MONTES MAKES OFFICIAL VISIT TO ROMANIA

For Bucharest Domestic Service coverage of official visit of Vice Adm Oscar Antonio Montes, minister of foreign relations and worship, to the Socialist Republic of Romania, see the Romania section of 20 July and subsequent issues of Eastern Europe DAILY REPORT.

ARMY RADIO PROGRAM COMMENTS ON BORDER PROBLEMS

PY180119Y Buenos Aires LA NACION in Spanish 17 Jul 78 pp 1, 9 PY

[Editorial: "Argentina and Its Progress Toward the Year 2000," carried 16 July by weekly army broadcast over Radio Belgrano]

[Excerpt] Defense of the country's territorial sovereignty and the overall preservation of its heritage are priority objectives interlaced with the national interest. These objectives do not admit apathy, lack of historical vision or demagogic intentions. The principle of defense which has already been mentioned compelled annulment of the [Beagle Channel] arbitration decision which in addition to containing substantial errors and unacceptable modifications, exceeded its legal competence and affected our territorial integrity in the southern area.

An agreement was reached in the Act of Puerto Montt to achieve political solutions which will set the basis for a future without conflicts.

Neither in this case nor in the others which still affect the country's external horizon has Argentina resorted to rigid or empty positions. It has not and never will do so because its tradition of greatness and heroism has forged a generation of Argentines who are aware of the overriding mandate of preserving the integrity of the fatherland's soil. Our fellow countrymen can be sure that all the resources of direct negotiation will be exhausted, because this is the only peaceful way for resolving the conflict, a solution that will have to necessarily take into account the preservation of the nation's territorial integrity.

Also, Argentina's rights regarding the Malvinas Islands are not only legally undeniable but have also been, to a great extent, acknowledged and ratified by international charters.

The [illegible] overall right which [illegible] the drafting of any type of agreement which does not comply with the requirement of preserving the islands and maritime areas that are the heritage of our sovereignty.

Until this occurs, economic or trade aspects which may cause interest in the region cannot be taken into account.

In the case of the River Plate Basin, our country is convinced of the need to fully develop its possibilities for the benefit of the entire region and also to have sufficient financing, in a world where there is an abundance of money and a lack of security for investment, a security which our country offers today.

MONTONEROS ATTACK ARMY TECHNICAL SCHOOL

PY1916557Y Paris AFP in Spanish 1632 GMT 19 Jul 78 PY

[Text] Buenos Aires, 19 Jul--An attack with explosives was carried out today against an agency of the Argentine Army, but no casualties were reported, it was reported by well-informed sources. The attack was carried out at 1045 local time (1345 GMT) against the army superior technical school, north of this city. The Montoneros organization later claimed to be responsible for the attack, explaining that grenade launchers were used.

AUSTRALIAN CALLS ANTARCTIC CLAIM JUST

PY2013[illegible]Y Buenos Aires Domestic Service in Spanish 1030 GMT 20 Jul 78 PY

[Text] Claims of sovereignty in the Antarctic made by Argentina, among other countries, and which are stipulated in Article 4 of the 1959 treaty, were the subject of some remarks by a few delegates to the second consultations meeting which began in Buenos Aires on Monday.

The Belgian representative warned that there are still problems hindering the establishment of a definite plan to preserve the area's live marine resources. He added that he did not consider the problem of sovereignty claims to be insoluble, and that the spirit of consideration which has always guided us will again lead us to formulas which will be acceptable to all.

The Japanese delegate, Takeo Iguchi, stated that there are still some pending problems, including the issue of territorial demands, and that we should try to find solutions which would satisfy all interested parties.

The Australian representative, Ambassador H.S. Bullock, said that Argentina's claims of territorial sovereignty in the region are especially just, since it is the only country in this hemisphere which has had a long tradition of close ties with the Antarctic. Ambassador Bullock, chief of the Australian delegation, said that both Argentina and Australia share the feeling of responsibility toward the Antarctic which is especially strong in nations close to the area. He said: In a way, the interest of the countries of the Southern Hemisphere in the Antarctic goes beyond the resource preservation issue, which is the subject of this meeting, and includes a real concern for the events occurring in an area which is an important part of our regional environment. He added that this was Argentina's real problem: the stand taken by some powers in favor of the internationalization of the Antarctic, the interest of others strictly because of its economic value and the indifference of still another group of countries with regard to the sovereignty claims of others.

MILITARY REVOLT SEEKS DECLARATION OF PEREDA AS PRESIDENT

Army in Control

TA211337Y Paris AFP in English 1322 GMT 21 Jul 78 TA

[Excerpts] La Paz, July 21 (AFP)--Bolivia was today in a state of siege, with most of the country reported under army control.

Insurgent officers stated that their revolt was aimed at forcing the National Electoral Court to reverse its decision to annual the results of the July 9 presidential election. The rebellious officers are demanding that Gen Pereda be made president.

Meanwhile, President Hugo Banzer has been holding an emergency meeting with his advisors to study the situation.

'Civil Groups' Seize Radio

PY210301Y La Paz Radio Panamericana Network in Spanish 0000 GMT 21 Jul 78 PY

[Text] The Panamericana correspondent in Cochabamba has just called to tell us that civil groups have taken control of Radio Cochabamba and have announced that they will do the same with other radio stations in that city and in the interior of the country.

Banzer Summons Cabinet

PY211236Y Paris AFP in Spanish 1022 GMT 21 Jul 78 PY

[Text] La Paz, 21 Jul--President Hugo Banzer has called for an urgent meeting of the ministerial cabinet at 0445 local time (0845 GMT) to analyze the situation created in the country by the military uprising in Santa Cruz de la Sierra which demands that Gen Juan Pereda be proclaimed president-elect.

As of 0000 local time (0400 GMT), Santa Cruz army units took over the city, 1,000 km east of La Paz, and control the situation there, demanding that the National Electoral Court reverse its decision to annul the 9 July general elections.

Soldiers in combat uniform and weapons at the ready are barring entry to Murillo Plaza in La Paz, where the presidential palace is located.

State of Siege Decree

PY211410Y La Paz Radio Panamericana in Spanish 1130 GMT 21 Jul 78 PY

[Text] A state of siege has been decreed throughout the country. The main articles of the decree state:

Article 1. A state of siege is declared throughout the republic, in accordance with Article III of the constitution.

Article 2. Public demonstrations of any kind whatever are prohibited.

Article 5. The officials [words indistinct] will take measures to safeguard public order.

By a decision of the Education and Culture Ministry, all school activities have been suspended throughout the country.

Electoral Court Blamed

PY211210Y Santa Cruz Radio Grigota in Spanish 1140 GMT 21 Jul 78 PY

[Text] People of Santa Cruz, people of Bolivia: The country cannot tolerate the cynical maneuver of the National Electoral Court against the results of the general elections held on 9 July. Bolivia cannot accept the failure to recognize the elections as the legitimate victory of the candidate of nationalism, Gen Juan Pereda Asbun.

Therefore, in order to prevent the country from falling into the hands of atheist extremism and totalitarianism and violators of all freedom and rights, the people of Santa Cruz have raised their arms to defend democracy, peace, order, labor and justice. We call on all the people of the country, professionals, students, workers, war veterans and peasants to support this civic movement, this nationalistic revolution supporting Gen Juan Pereda Asbun, who has the support of the majority of the Bolivian people.

Communique in Santa Cruz

PY211222Y Santa Cruz Radio Grigota in Spanish 1145 GMT 21 Jul 78 PY

[Communique released by collective base command in Santa Cruz]

[Text] The collective base command issues a call to the zone chief and militants in general of the collective command to man their posts in order to firmly consolidate the revolution headed by Gen Juan Pereda Asbun. Signed: [name indistinct]

Padilla Identified as Leader

PY211228Y Paris AFP in Spanish 1149 GMT 21 Jul 78 PY

[Excerpts] La Paz, 21 Jul--The military revolt against the National Electoral Court and in in favor of the nationalist candidate spread throughout the country like wildfire.

Journalist Lucho Vargas of Radio Grigota of Santa Cruz de la Sierra telephoned FRANCE-PRESSE in La Paz and reported that ranger-type infantry troops and members of the Bolivian Air Force (FAB) had occupied strategic points in Santa Cruz de la Sierra, 1,000 km east of La Paz.

General Padilla, chief of II Corps headquartered in Santa Cruz, is leading the military operations in that city.

Journalist Vargas in Santa Cruz de la Sierra said that there is complete calm throughout the country and that there have been no arrests or assaults. The movement is not against the government

All the divisions of the II Corps, headquartered in Santa Cruz, Robore and Camiri, have joined the military movement.

Gen Juan Pereda Asbun is in Santa Cruz but, according to Vargas, "he is not taking a visible part in the military revolt." The army divisions of Cochabamba, Trinidad and Tarija have also joined the military movement, which rejects the annulment of the elections decreed by the National Electoral Court on 19 July. According to journalist Vargas, army troops have occupied strategic points in all these cities.

Vargas added: Not one single shot has been fired and the situation throughout the country is calm.

There are no confirmed reports concerning the position of the army divisions in La Paz, Oruro, Potosi and Sucre.

Civilian militiamen belonging to groups supporting General Pereda are collaborating in patrol duties being carried out early this morning in Santa Cruz de la Sierra.

The leaders Hugo Jaime Otero Arria of the Bolivian Socialist Falange (FSB) and Pedro Ribera Sanchez of the National Revolutionary Movement (MNR) are personally directing the civilian militiamen, it was concluded.

Tanks Patrolling Santa Cruz

PY211233Y Santa Cruz Radio Grigota in Spanish 1218 GMT 21 Jul 78 PY

[Text] Attention. We now have a communique addressed to the entire population of Santa Cruz. The (TOM) [not further identified] has prohibited the circulation of private vehicles. Armored units are patrolling the streets of Santa Cruz. Attention all private vehicles. Armored units are patrolling the streets of Santa Cruz.

Work Stoppage Reported

PY211240Y Paris AFP in Spanish 1218 GMT 21 Jul 78 PY

[Text] Santa Cruz de la Sierra, Bolivia, 21 Jul--Civil institutions of this department, one of the nine in the country, ordered a 24-hour work stoppage in protest of the annulment of the general elections.

The civic leader, Oscar Ramon Vaca, said that communism and its allies must be stopped in order to defend nationalism and that the election of Gen Juan Pereda Asbun as president must be recognized.

Writ Issued in Chuquisaca

PY211330Y Sucre Radio La Plata in Spanish 1255 GMT 21 Jul 78 PY

[Text] Writ of Good Government:

Whereas elements of the extreme left have issued a call for subversion and terrorism, thus endangering national security, social peace and the stability of the republic;

whereas it has been decided--in order to preserve the political constitution of the state, the order and the peace of the nation--to decree the state of siege throughout the national territory by means of Decree Law No 15,632, issued on 21 July 1978;

The prefect of Chuquisaca Department, in line with his specific powers, has resolved to issue the following writ of good government, by which the entire citizenry must abide:

1. As of this date all public meetings and demonstrations, whatever their nature, are forbidden.

2. The circulation of groups of more than three persons is prohibited after 2300 and until 0600 the next morning.

3. All public shows, restaurants and amusement places must close at 2230.

4. National security guards will be in charge of enforcing strict conformity to this writ of good government.

Signed: (Raul Gutierrez), prefect and commander general of Chuquisaca Department; (Raul Romero Sandoval), secretary general of the prefecture

Radio Behavior

PY211338 [Editorial Report PY] Santa Cruz Radio Grigota in Spanish at 1145 GMT on 21 July was intercepted carrying a series of disjointed proclamations supporting Gen Juan Pereda, news reports and marches.

Among the items broadcast was a communique by the Bolivian Socialist Falange supporting the installation of Pereda as president, a similar communique by the Barrientist movement and a station commentary repudiating the annulment of the 9 July elections and calling on all social classes to support Pereda. The station makes no mention of a military movement, instead attributing the movement to Pereda's People's Nationalist Union.

The announcer then read a list of radio stations which are members of the so-called nationalist revolution network: Cruz del Sur, La Paz; Los Andes, Tarija; Tropico, Trinidad; Loyola, Sucre; Avaros, Riberalta; Juan XXIII, San Ignacio de Velasco; Norte, Montero; San Jose, San Jose de Iquitos; Robore, Robore; Sararanda, Camiri; Cosmos, Cochabamba; Riberalta, Riberalta; Movima, Santa Ana de Yacuma; Indoamerica, Potosi; and Charagua, Charagua. The names of three other stations are indistinct.

After reporting a communique from the local truckers union supporting Pereda, the station airs a relay from Radio Cosmos in Cochabamba reporting that "the revolution is in control of Cochabamba" and that the station there is calm.

La Paz Radio Fides at 1213 GMT reports that the government has declared the nation in a state of emergency.

Sucre Station Communique

PY211421Y Sucre Radio La Plata in Spanish 1320 GMT 21 Jul 78 PY

[Text] We have been requested to read the following communique: The Department Council of the People's Nationalist Union [UNP] is calling upon the citizenry to maintain their tranquillity and to cooperate in maintaining public and private order.

The national movement in support of Gen Juan Pereda Asbun stands for the respect for democratic principles and for the people's aspiration for a nationalist regime. It takes this position in agreement with the main political and civil forces, as well as the nation's armed forces, viewing the citizenry's opinions and wish to live in a climate of peace, tranquillity and institutional order, so that all Bolivians may dedicate themselves to creative activities and to upholding the fundamental values which are the foundation of the family and [words indistinct]. This is a reaction against the designs of international communism which, by creating confusion, is trying to take away from General Pereda his electoral victory on 9 July, to destroy the national sovereignty and to unleash upon the Bolivian family the hatred of fratricidal warfare and bloodshed.

The commitment of the UNP is only to uphold the well-being of the peasants, workers, middle class and all the citizenry in a climate of mutual harmony, to make possible the pursuit of individual happiness and the nation's progress. For this purpose, it wants to muster all the sensibility of the Bolivian citizens to contribute with their efforts for the achievement of the great national objectives, on both the domestic and foreign fronts.

We invoke the sacrifice of the creators of the Bolivian nation to inspire us, the people of Chuquisaca, to preserve our fatherland and to actively participate in efforts to raise the working and living standards of our society.

For a fatherland free from the totalitarian communism, [signed] the Department Executive Council of the People's Nationalist Union.

AFP: La Paz Situation

PY211436Y Paris AFP in Spanish 1349 GMT 21 Jul 78 PY

[Text] La Paz, 21 Jul--The state of siege prevailing in Bolivia since early this morning prohibits public demonstrations and the dissemination of alarming news to the population.

The military government ordered policemen and Interior Ministry officials to control La Paz radio stations. These officials have instructions to prohibit the dissemination of news coming from outside La Paz.

The military uprising in support of Gen Juan Pereda has spread to most of the country's military units but it seems that the government has control of the situation in La Paz, currently surrounded by armored, motorized and infantry units.

School activity has been suspended and public mobilization was reduced but officials insist that productive activities are being carried out normally.

The newspaper HOY published information on the state of siege but other newspapers did not report it.

Reports coming to La Paz from Cochabamba State that all the radio stations in that city, 400 km southeast of La Paz, were occupied by Gen Juan Pereda's supporters last night. The Cochabamba radio stations are broadcasting on the nationalist network, slogans recognizing the elected president.

Chuquisaca Peasants Back Pereda

PY211428Y Sucre Radio La Plata in Spanish 1350 GMT 21 Jul 78 PY

[Text] We have been requested to read the following communique: The Federation of Chuquisaca Department Peasants, in view of the pressures exerted by infantile leftist extremism which is attempting to thwart the landslide victory of nationalism led by Gen Juan Pereda Asbun in the 9 July elections, wishes to notify all peasant comrades of Chuquisaca Department, and especially the leaders of provincial branches and subbranches, that it has decided to support the movement created to support the candidacy and the victory of General Pereda in the departments of Santa Cruz, Cochabamba, Beni, and other districts.

In view of this situation, Chuquisaca cannot remain indifferent to the request of his brother peasants of the departmental federations of Cochabamba, Beni, Pando and the federations of Montero, Camiri, Ucurena and Chapare districts which have already implemented measures such as the blocking of roads, in order to defend our legitimate rights, including the will of the Bolivian people who have given the victory to Gen Juan Pereda.

The peasants of Chuquisaca must not fear the machinations of Red extremists because we have the support of the large sectors of the country, the great nationalist political parties and the armed forces of the nation, united by means of the military-peasant pact.

In conclusion, this federation urges the supreme government to order the expulsion of the leader of Red extremists, Hernan Siles Zuazo, who has returned to the country to corrupt brother peasants with foreign money.

For the 21 July movement.
For the victory of nationalism.
For the Federation of Chuquisaca Peasants.
Signed: (Pascual Ramon) (Maximo Echeverria) (Ramon Munoz) [name indistinct] and other leaders.

Revolt Called Civilian

PY211453Y Paris AFP in Spanish 1430 GMT 21 Jul 78 PY

[Text] Buenos Aires, 21 Jul--A Bolivian Government official told a local radio station that the government in La Paz will support the Electoral Court decision to annul the recent presidential elections. Samuel Mendoza, presidential information secretary, answered a telephone call made by Radio Continental of this city, saying that sectors of the armed forces have not come out in support of the movement, that only civilian political activists who launched Gen Juan Pereda's candidacy are involved. He did not deny, however, that some movement of military units has taken place in Santa Cruz de la Sierra, but denied the report that an uprising took place in Cochabamba. The official indicated that Gen Hugo Banzer Suarez is at government house and that the winner of the elections, Gen Juan Pereda, was not in the city, that he had left for Santa Cruz de la Sierra.

BRAZIL, PRC AGREE ON IRON ORE-OIL EXCHANGE

PY210254Y Rio de Janeiro O GLOBO in Portuguese 20 Jul 78 p 27 PY

[Text] Brasilia--Itamaraty announced yesterday the signing in Peking of a contract for the supply of Brazilian iron ore to the PRC enterprise China National Metals and Minerals Import and Export Corporation. The contract covers a total of 250,000 metric tons of iron ore--half in "pellets" and the other half in "sinterfeed."

Meanwhile, a contract should have been signed yesterday--Itamaraty was unable to obtain official confirmation of the signing--for the purchase of 90,000 tons of PRC petroleum, "Sheng-li" type, for shipment during the last quarter of this year.

The two contracts are on the order of $10 million. The Itamaraty spokesman emphasized that the contracts are important not because of the amount involved but because of the negotiation itself: This operation opens new propsects of petroleum supply to Brazil and a new market for Brazilian iron ore.

"Sheng-li" type petroleum is a rather light oil with low sulfur content. The Itamaraty spokesman noted that the contracts are pilot documents which were negotiated during the recent visit to Peking of a Brazilian mission headed by Paulo de Tarso Flexa de Lima, of the Itamaraty's trade promotion department. The first shipment of iron ore to the PRC will be made in mid-September using the Mindanao supply station, in the Philippines.

GOVERNMENT SEES TO PREVENT 'MONOPOLY' IN SEA EXPLOITATION

PY210316Y Rio de Janeiro O GLOBO in Portuguese 20 Jul 78 p 11 PY

[Text] Brasilia--Itamaraty spokesman Luiz Felipe Lampreia said yesterday that in defending the 200-mile sovereignty, Brazil was not claiming for itself a monopoly over the resources of the depths of the sea. Commenting on the talks held by Foreign Minister Azeredo da Silveira and Elliot Richardson, President Carter's envoy, Lampreia said that Brazil does not want a discriminatory regime, since the depths of the sea--for historical and economic reasons--cannot be exploited by a small group having only limited technology and resources.

Lampreia said: Those resources do not belong to them, because they are a common asset of mankind.

Lampreia refrained from commenting on remarks made by the U.S. ambassador that the U.S. Government, through its domestic laws, is seeking political support for the action of a group of private enterprises which are exploiting the seabed resources. Lampreia considered it "improper" to comment on the basis of fragments of a statement. Instead, he preferred to point out the Brazilian position on this matter, which became clear during the talks held with the special envoy of President Carter:

Brazil is making an effort to prevent a monopoly in the last major frontier of mankind.

ENERGY DEMAND DOES NOT JUSTIFY FOURTH NUCLEAR PLANT

FY2014107 Rio de Janeiro JORNAL DO BRASIL in Portuguese 19 Jul 78 p 23 PY

[Excerpt] The Brazilian Government no longer believes that there is an urgent need for the installation of the fourth nuclear plant in Brazil. The decision on the installation of the next nuclear plant--the fourth under the Brazilian program and third under the Brazilian-FRG agreement--will only be made whenever economic conditions set by the demand of energy make it necessary.

However, ELETROBRAS [Brazilian Power Companies Inc], which is charged with keeping up a chart of electricity demand, will by the end of this year point out regions for the probable installation of the fourth nuclear plant. The government position is to officially proceed with the studies necessary for selecting the site where the fourth plant is to be erected, although it unofficially admits that there is not enough energy demand to justify the construction of the fourth nuclear plant at this time.

NUCLEBRAS TO PURCHASE URANIUM PLANT EQUIPMENT

PY210028Y Brasilia Domestic Service in Portuguese 2200 GMT 20 July 78 PY

[Text] The Brazilian Nuclear Corporation [NUCLEBRAS] has signed a 1.1-billion cruzeiro contract to purchase from local suppliers, machinery and equipment for the Pocos de Caldas industrial complex in Minas Gerais State.

The Pocos de Caldas uranium concentrate production plant will include--in addition to the first uranium mine in Brazil--an industrial iron ore processing plant, a sulfuric acid factory, and other installations.

[Paris AFP in Spanish at 2117 GMT on 20 July reports that a credit equivalent to $55 million will be provided to NUCLEBRAS by the Brazilian Bank Boa Vista for the purchases].

REPORTED STUDY OF NUCLEAR INSTITUTE DENIED

PY210144Y Brasilia Domestic Service in Portuguese 2200 GMT 20 Jul 78 PY

[Text] In view of reports released by the press, the presidential press secretariat would like to make the following clarification:

On 11 July, two members of the General Secretariat of the National Security Council [CSN]--in response to an invitation extended to them by the Sao Paulo State government--visited the Sao Paulo Engineering, Atomic Energy Institute [IEA].

This visit was exclusively designed to gather updated information on studies and projects which are underway in the institute in an effort to obtain high-level opinions on issues of interest for national security, especially on aspects related to the Brazilian energy issue and to the preservation of the environment.

The CSN General Secretariat did not receive the IEA superintendent, or any other official of the institute, after the above visit. Therefore, the report that the CSN has been investigating administrative abnormalities in the IEA is untrue.

NATEL WILL NOT APPEAL TO SUPREME COURT

FY201428Y Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 20 Jul 78 FY

[Text] Former Governor Laudo Natel will not appeal to the Federal Supreme Court over the decision made by the CSE [Superior Electoral Court] which confirmed the legality of the Sao Paulo ARENA convention. Paulo Maluf refused to make any comments regarding Laudo Natel's decision.

According to Natel's lawyer, (Jose de Castro), the former governor has already expressed his disapproval over the way that the convention was conducted.

FOLHA SAYS ALLEGED TORTURER AWARDED MEDAL

FY291505Y Paris AFP in Spanish 0258 GMT 20 Jul 78 FY

[Text] Sao Paulo, 19 Jul--The newspaper FOLHA DE SAO PAULO revealed today that a torturer for the Brazilian police received a medal of merit for his good service to society.

The medal was awarded last Friday by Sergio Fleury, chief of the Sao Paulo Criminal Investigations Department (DEIC), who has frequently been accused of heading the well-known death squad.

According to the Sao Paulo newspaper, the torture incident occurred last May when a group of policemen under Fleury raided the house, located in the suburbs of the city, of Daniel de Souza Borges, a suspect in a 700,000-cruzeiro (approximately $40,000) armed robbery.

As the suspect was not found, the policemen arrested his father, mother and brother and took them to the DEIC headquarters where they were tortured. The newspaper said that their clothes were taken off because this is how torture is carried out at the DEIC.

Borges' mother, who is 50 years old, suffered the ordeal of the parrot perch, which consists of hanging the victim on a steel bar from the knees with the head down. The ends of the bar are not well supported, allowing its oscillation. The newspapers explained that sometimes the bar lets the victim fall, hitting his head on the floor. Hanged in this position, Mrs Borges was subjected to electrical shocks, kicks and blows from the butt of a rifle.

FOLHA DE SAO PAULO also said that the suspect's brother suffered the same torture and that when the father's turn came, he had a special treatment waiting for him: His wife was raped in front of him. The newspaper also indicated that the entire family remained 4 days completely nude in the DEIC jail.

The victims reported the incident to the Justice and Peace Commission of the Sao Paulo Archbishopric. The Justice Department began an investigation into this case and was able to identify one of the torturers as Oscar Matsuo , a policeman of the division of crimes against the state.

The newspaper said that Fleury decided to render honors to his subordinate, who was decorated the end of last week. During the ceremony, Fleury explicitly praised the brilliant work done by Matsuo during the month of May, distinguishing him for his good services to society.

TALK OF PINOCHET MOVEMENT STIRS REACTION

PY202102Y Paris AFP in Spanish 1627 GMT 20 Jul 78 PY

[Excerpts] Santiago, Chile, 20 Jul--Gen Gustavo Leigh, commander in chief of the Chilean Air Force, today commented on the project to create a Pinochetist movement in a joking manner.

"I believe these are jokes. No one can take these things seriously," said Leigh during a radio interview broadcast in Santiago.

The commander in chief of the Chilean Air Force and member of the military junta which has been ruling the country since September 1973, stated that "the regime is abiding by important principles in which there are no room for caudillos."

In his statement to Radio Agricultura in Santiago, Leigh reasserted his desire to plot a political course which would restore institutional normality to Chile in the next 5 years. He indicated that in this regard that there are no schisms among the members of the junta, which also includes the commander in chief of the navy and the head of the carabineros.

He admitted that "there are differences as to Chile's future and the course which we must follow." The air force commander in chief rejected the possibility of any organization of the military government participating in the murder of former Socialist Foreign Minister Orlando Letelier, which took place in Washington in September 1976. "I cannot believe that an armed forces government could get involved in such a clumsy crime through any of its organizations," emphasized Leigh.

He said, however, that "if the investigation which is being carried out by the U.S. courts manages to show proof of any such participation, I will have to review my position within the government."

LEIGH DISCUSSES POLITICAL SCENE IN ITALIAN INTERVIEW

PY202226Y Rio de Janeiro JORNAL DO BRASIL in Portuguese 19 Jul 78 p 13 PY

[Excerpts] Milan and Santiago--Gen Gustavo Leigh Guzman, a member of the military junta which is ruling Chile, has harshly criticized Gen Augusto Pinochet and proposed a basic program for the return to the state of law, in an interview with the Italian newspaper CORRIERE DELLA SERA.

When reporter Paolo Bugialli asked him what measures he would recommend to improve Chile's foreign image, Leigh said: "I believe that to improve the country's image one must start by taking actions within Chile, not outside. Here we need a political program. If the government announced this program and observed it, this would give us oxygen. Although it is late, the program is still necessary."

Leigh, who Bugialli considers the second man in the junta, has four-point program of his own for the return to a state of law. In general, he would include: a statute for political parties, a new registration of all Chileans eligible for voting (the junta banned all electoral titles and destroyed electoral records), a law which would guarantee free elections and a constitution approve by popular referendum.

Regarding the latter issue, Leigh noted that Chile "has a long tradition of freedom and democracy and it is not possible to deny this freedom forever." He added that "there is a risk that the people might force a hasty outcome and, consequently, force us into a single path: increased harshness." He also said that it would take 3 years to register all Chileans of voting age. In his opinion, the military government could implement this entire program in 5 years.

The air force commander emphasized, however, that "unfortunately, the person who should understand these things better than anyone has failed to understand their significance."

This comment was a clear allusion to General Pinochet, the top man of the military junta which assumed power in the 11 September 1973 military coup, which caused the ouster and death of constitutional President Salvador Allende.

Bugialli then asked Leigh if he would implement this program if he were commander of the junta. Leigh answered: "Exactly." Elaborating on this possibility, Leigh added that "I would not tolerate Marxist parties, because they have caused much damage to the country." He contended that Chilean Marxist parties follow the Soviet Model and "were sometimes even more violent." He said that "Luis Corvalan, the leader of the Chilean Communist Party, was better informed on the Soviet Union than the Soviets themselves, from whom he received instructions." He noted, however, that he would allow the formation of "leftwing parties of the Scandinavian type."

Regarding Christian Democracy [PDC], he said that "it has all kinds of members, from Marxists to rightwing advocates. I believe that although some PDC members are no saints, a large majority of PDC supporters assign priority to the best interests of Chile." He confirmed that he had opposed the plebiscite called by Pinochet. In his opinion, this plebiscite should not have been held.

In Santiago, the newspaper EL CRONISTA reported that the speech delivered by Ignacio Astete, leader of a youth group "linked to the presidency" proposing that a movement be organized by those supporting General Pinochet, has been interpreted by "the majority of the people as an acknowledgement of Pinochet's leadership abilities."

EL CRONISTA added, however, that "some minority groups are trying to distort Astete's idea, charging him with trying to start some kind of personality cult for Pinochet."

Cabinet Upset Over Interview

PY202227Y Santiago Chile Domestic Service in Spanish 1730 GMT 20 Jul 78 PY

[Text] Cabinet members agreed to send a letter to government junta member Gen Gustavo Leigh Guzman stating their disagreement with remarks made by the general to an Italian newspaper a few days ago.

The statement is contained in an official communique released at noon today.

The interior minister representing the council of ministers, delivered the following declaration:

The Cabinet, composed of the Council of Ministers and presided over by the interior minister, met yesterday afternoon, 19 July 1978, to study the range of the remarks made by the honorable member of the military junta, Gen Gustavo Leigh Guzman, to a foreign newspaper, remarks which are already known to the public. At the end of this meeting it was agreed to convey to General Leigh the unanimous disagreement of all the ministers who attended this meeting regarding his remarks.

BRITISH MP CALLS FOR NORMALIZATION OF RELATIONS

PY182216Y Santiago Chile Domestic Service in Spanish 1730 GMT 18 Jul 78 PY

[Text] A British parliamentarian has stated that it is necessary for Chilean-British relations to return to normal. This remark was made by Lord David Montgomery, who held a 1/2-hour meeting with Chilean Foreign Minister Hernan Cubillos today.

Lord Montgomery stated that he was a great friend of all Chileans and indicated that the country is moving forward. [begin Montgomery recording] I am a parliamentarian and an old friend of Chile, where I lived a long time ago. The reason for my visit is to find out about the economic situation of the country, which I have found experiencing an extraordinary recovery. [end recording]

Montgomery indicated that he will meet several state ministers, banking officials and industrialists. His stay in Chile will last until Thursday morning. Before meeting with the foreign minister, Montgomery held friendly talks with Public Works Minister Hugo Leon.

With regard to British investment projects in Chile, Montgomery said that there are many opportunities which must be studied. He also said that political reasons were behind his country's unwarranted retention of Chilean Air Force material. [begin Montgomery recording] [Passage indistinct] maintain relations with all countries without any distinctions, especially with countries with which we have age-old bonds of friendship. [passage indistinct] [end recording]

Montgomery said that he favored a strengthening of Chilean-British relations and added that to achieve this it was necessary to replace the current charges d'affaires in Santiago and London with full-fledged ambassadors. [recorded passage indistinct]

Later Montgomery left for government house, where he met with President Pinochet and then with Adm Jose Toribio Merino. [Words indistinct] our reporter Victoria [name indistinct] will give us a direct report about events at government house. [begin recording] Viscount David Montgomery, son of the famous World War II field marshal, talked to Pinochet about strengthening diplomatic relations between the two countries [passage indistinct].

BOMB DISCOVERED ABOARD NATIONAL AIRLINE PLANE IN ARICA

PY201309Y Santiago Chile Radio Mineria Network in Spanish 1030 GMT 20 Jul 78

[Text] Arica--A bomb was found inside a plane of Chilean National Airlines when it was getting ready to depart for Santiago. Security personnel found the bomb after an anonymous phone call was received. The first measure was to evacuate all the passengers and thoroughly check the plane. The bomb was found hidden in one of the restrooms and was later detonated in an open space away from the airfield.

WINNERS OF CONSTITUENT ASSEMBLY ELECTION ANNOUNCED

PA181909Y Lima Diplomatic Information Service in Spanish 0030 GMT 18 Jul 78 PA

[Text] The National Electoral Tribunal announced on Saturday the 100 members elected to the Constituent Assembly. The official list of representatives is as follows:

Peruvian Aprist Party: Victor Raul Haya de la Torre, Luis Alberto Sanchez, Ramiro Priale, Pedro Arana Quiroz, Andres Townsend Ezcurra, Carlos Enrique Melgar, Mario Velaez Bazan, Humberto Carranza Peidra, Arturo Miranda Valenzuela, Jorge Lozada Stambury, Jorge Torres Vallejo, Cesar Vizcarra Vargas, Luis Heysen Inchaustegui, Gustave Garcia Mundaca, Luis Rivera Tamayo, Luis Negreiros Criado, Josemel Munoz Cordova, Eulogio TapiaOOlarte, Carlos Roca Caceres, Javier Valle Riestra Gonzalez Olaechea, Fernando Leon de Vivero, Saturnino Berrospi Mendez, Luis Rodriguez Vildosola, Alfonso Ramos Alva, Guillermo Baca Aguinaga, Lucio Muniz Flores, Lcio Galarza Villar, Arnaldo Alvarado Degregori, Alan Garcia Perez, Carlos Manuel Cox Roose, Enrique Chirinos Soto, Carlos Enrique Ferreyros, Francisco Chirinos Soto, Julio Cruzado Zavala, Romualdo Biaggi Rodriquez, Ursino Julve Ciriaco, Hector Vargas Haya.

Popular Christian Party: Luis Bedoya Reyes, Mario Polar Ugarteche, Manual Kawashita Nagano, Ernesto Alayza Grundy, Roberto Ramirez del Villar, Clohaldo Salazar Penaillillo, Miguel Angel Mufarech, Moises Woll Davila, Lauro Munoz Garay, Oscar Olivares Montano, Miguel Angel Arevalo del Valle, Celso Sotomarino Chavez, Gabriela Porto Cardenas de Power, Jorge Neyra Bisso, Edwon Montesinos Ruiz, Rafael Risco Boado, Federico Tovar Freyre, Ruben Chang Gamarra, Xavier Barron Cebreros, Pedro Gotuzzo Fernandini, Alberto Thorndike Elmore, Armando Buendia Gutierrez, Genix Ruiz Hidalgo, Andres Aramburu Menchaca.

Peasant, Student and Workers Popular Front [FOCEP]: Hugo Blanco Caldos, Genaro Ledesma Izquieta, Hernan Cuentas Anci, Saturnino Paredes Macedo, Romain Ovidio Montoya Chavez, Juan Cornejo Gomez, Ricardo Napuri Schapiro, Victoriano Lazaro Gutierrez, German Chamba Calle, Enrique Fernandez Chacon, Magda Benavides Morales, Cesar Augusto Mateu Moya.

Peruvian Communist Party: Jorge del Prado Chavez, Alejandro Olivera Vila, Isidoro Gamarra Ramirez, Raul Acosta Salas, Eduardo Castillo Sanchez, Luis Alberto Delgado Bejar.

Socialist Revolutionary Party [PSR]: Leonidas Rodriguez Figueroa, Avelino Mar Arias, Antonio Meza Cuadra, Miguel Echeandia Urbina, Alberto Ruiz Eldredge Rivera, Antonio Aragon Gallegos.

Popular Democratic Union: Victor Guadros Paredes, Javier Diez Canseco Cisneros, Ricardo Diaz Chavez, Carlos Malpica Silva Santisteban.

Peasants and Workers National Front [FNTC]: Roger Caceres Velasquez, Pedro Caceres Velasquez, Ernesto Sanchez Fajardo, Jesus Veliz Lizarraga.

Christian Democratic Party: Hector Cornejo Chavez, Carlos Arturo Moretti Ricardi.

Peruvian Democratic Movement: Marco Antonio Garrido Malo, Javier Ortiz de Zevallos.

National Union Party: Victor Frendt Rosell, Manuel Adrianzen Castillo.

Yesterday, during a special public meeting, the court delivered the credentials to the representatives of most participating entities. No credentials were handed over to the FOCEP, FNTC and PRS representatives because their parties had not yet delivered to the tribunal the stamped paper required to issue the credentials. Tribunal President Ulises Montoya Mandredi declared "the electoral process closed" and reported that he had sent a copy of the records of the national vote count to Victor Raul Haya de la Torre, president of the Preparatory Board, who won the largest number of votes. Haya de la Torre will install the board tomorrow, 18 July.

ASSEMBLY PREPARATORY BOARD HOLDS SECOND MEETING

PY210404Y Lima Domestic Service in Spanish 0300 GMT 21 Jul 78 PY

[Text] A multiparty commission was installed today which has been charged with drafting the Constituent Assembly's internal regulations. It is made up of [number indistinct] members.

Six constituent members who were not sworn in during yesterday's session were sworn in today during the second session of the Preparatory Board, with Victor Raul Haya de la Torre presiding.

At the beginning of the session, the Preparatory Board president called for the public to cooperate by abstaining from expressions which could impair the prestige and dignity of the grand assembly.

According to Preparatory Board sources, the board will meet again to debate the internal regulations and elect the assembly's authorities. On the following day the assembly will be officially installed and will then proceed with its mission of drafting the new constitution.

Victor Raul Haya de la Torre, chief of the American Revolutionary Popular Alliance and president of the Preparatory Board, can virtually be considered the president of the Constituent Assembly, which will be officially installed on 28 July.

(?According to what can be deduced) from remarks made by leader [name indistinct], the Popular Christian Party has 25 members, which places it in second place. Added to the 37 votes [words indistinct] makes a total of 72 votes, more than necessary for him to be elected assembly president.

FINANCE MINISTER ANNOUNCES REORGANIZATION OF DEBT

PY210108Y Lima Domestic Service in Spanish 1200 GMT 20 Jul 78 PY

[Excerpt] The total reorganization of the Peruvian external debt will begin in the next quarter and the renegotiation with the International Monetary Fund [IMF] within the terms of the standby agreement is about to be concluded. This was announced yesterday by Economy and Finance Minister Javier Silva Ruete.

He indicated that at the end of last year the agreement with the IMF, through a standby agreement, reached $106 million in special drawing rights and that it was impossible and [words indistinct] comply with [words indistinct].

The minister indicated that among the measures adopted in the financial field, a medium-term credit has been obtained from the international banking sector, which is our creditor, which will allow an extension of expiration dates for the short-term debts whose refinancing was agreed upon the day before yesterday in New York.

The minister made these remarks during a meeting at the Peruvian Institute of Business Administration.

COMMENTARY CRITICIZES ALLIANCE REPRESENTED AT BONN

PA191807Y Mexico City International Service in Spanish 0300 GMT 19 Jul 78 PA

[Unattributed commentary: "The Alliance of Privileges"]

[Text] The United States, France, Great Britain and Canada, the victorious allies of World War II, have agreed at the summit of the seven on a common strategy with the former enemies which they defeated, Germany and Japan, in order to share with them the world's great prosperity. Italy is also present at the Bonn conference.

Measures to avoid excessive dependence on imported oil, to increase gross national production, to manage commercial surplus and to take "sanitary" measures for their prosperity have been approved by the old allies and their former enemies in order to carry out what could be called the alliance of the privileged against a large hungry world.

Let us congratulate those who have everything for trying to maintain progress, but how deplorable their attitude of disregarding the fact that three-fourths of mankind is living in misery trying to maintain a basic nutritional diet--a very modest diet indeed--and to obtain a decent job that pays them just wages.

The prosperous ones have reached an agreement and like shepherds they are going to sacrifice a sheep to hold a big banquet at which entire continents where imperialism has made its wealth and also maintains voracious and implacable colonial influences will only look in on tiptoe through the window of the large dining room.

Nothing will be solved unless the big powers adopt resolutions for a just commercial exchange instead of selfish conditions consisting of manipulation of the prices of raw materials or implementation of so-called strategic devaluations. Otherwise, the world in which they operate, because of its poverty, will become a real threat to their economic power.

MEXICO, USSR SIGN MARITIME TRANSPORT AGREEMENT

PA201319Y Mexico City International Service in Spanish 0300 GMT 20 Jul 78 PA

[Text] Mexico City--Mexico and the USSR yesterday signed a 5-year maritime transport agreement which may be modified or revised by mutual consent between the two countries through the exchange of diplomatic notes.

The intention of the agreement is to increase our merchant marine and contribute to the development of international commercial shipping based on the principles of free navigation. The two countries will also promote the establishment of a joint regular service between the ports of Mexico and the USSR.

The agreement stipulates that the maritime authorities will assign the national shipping companies the operation of these regular services, including joint regulation of freight rates and other commercial conditions.

BRIEFS

BRITISH OIL OFFICIAL'S VISIT--Lord Frank [name indistinct], president and general director of the British national petroleum corporation, arrived in Mexico City yesterday. He said that he will meet with Mexican Petroleum Director Jorge Diaz Serrano and other petroleum sector officials and will observe the systems used by Mexico to exploit and produce petroleum. [Mexico City International Service in Spanish 0300 GMT 18 Jul 78 PA]

TEXT OF FOREIGN POLICY OUTLINE RELEASED

PA2017302 Panama City LA ESTRELLA DE PANAMA in Spanish 20 Jul 78 pp 1, 20 PA

[Text of Panamanian Foreign Ministry communique outlining country's foreign policy released on 19 July 1978]

[Text] Introduction

The following basic principles of Panama's foreign policy are the direct result of the work of a team of Foreign Ministry professionals who consulted with other national government groups and followed the international policy outlined by Panamanian Chief of Government Gen Omar Torrijos over the past few years.

Even though this document does not exhaust the subject, the Foreign Ministry does want it to serve as a guide and reference for the making of decisions on Panama's foreign policy problems. Therefore, this document will be subject to yearly reviews with the intention of adjusting Panama's positions to new circumstances and in harmony with the contemporary spirit.

Panama is a country with a strong tradition of respect for the political, economic and social systems which other countries of the world have adopted or will adopt in the exercise of their right to self-determination. This may be the reason for the experience of the past decade during which it was stressed that to us solidarity has stopped being an abstract principle and has become a pillar of our liberation process. Panama has evaluated the importance of this support and what it means to other peoples who are committed to their own struggles for liberation and independence.

From our capital, meeting place of the world's maritime routes, the Panamanian Government reiterates to all peoples and countries of the earth in this basic statement that it will maintain and promote the positions in principle to which Panamanians have been historically committed.

[Signed] Nicolas Gonzalez-Revilla, Panamanian minister of foreign affairs

I. General Principles

1. Panamanian international policy will try to promote the national interest in matters related to national security, political and commercial relations with the states of the international community, health, education, technology, culture, economy and national development.

The Republic of Panama includes in its government program the most complete devotion to the process of restoring its territorial integrity and its national sovereignty, recognized in the 1977 canal treaties. The effective territorial rights of the Panamanian state will therefore have to cover, according to international law, the entire extension of its territory, including the subsoil; national waters, which include the internal lakes [lagos interiores], channels, rivers and other bodies of water such as gulfs and historic bays; its territorial waters in line with the contemporary law of the seas and the border agreements on delimitation of marine and submarine areas, the submarine [as published] continental shelf and seabed; the airspace over the territory and surrounding waters; and the corresponding portions of bodies of water and rivers that border on other countries.

The Panamanian state sets forth as one of the priority objectives of its national and international policy the search for universal endorsement of the regime of permanent neutrality of the interoceanic waterway located on its territory, taking into consideration that in the treaty on the permanent neutrality of the canal, Panama has declared the neutrality of the waterway so that both in times of peace and war it will remain secure and open to the peaceful transit of ships of all nations on an equal footing so that there will be no discrimination against any nation or its citizens or subjects regarding transit conditions or costs and so that the canal and therefore the isthmus of Panama will not be subject to reprisals in any conflict between other nations of the world.

2. The principles on which Panamanian international policy is based are rooted in the Amphictyonic Congress of 1826, notably as regards the self-determination of peoples, the repudiation of colonialism in all its forms and expressions, nonintervention and the peaceful settlement of disputes.

The ideal of Latin American unity and integrity which stemmed from that congress has been the pervasive guideline of the Panamanian Government as evidenced through the creation in Panama of the Latin American economic system and the Latin American Export Bank.

3. The fact that the government led by General Torrijos has achieved basic claims concerning the Panama Canal issue calls for a basic revision of the objectives of Panama's foreign policy so that they will respond to the new contemporary reality.

4. In its international relations, the Republic of Panama will evidence its adherence to the principles of international law formulated by the 25th session of the UN General Assembly:

A. The principle that in their international relations states shall refrain from resorting to threats or the use of force against the territorial integrity or political independence of any state;

B. The principle of the peaceful settlement of international disputes;

C. The obligation not to interfere in the affairs that pertain to the internal jurisdiction of states;

D. The obligation that the states have to cooperate among themselves;

E. The principle of equal rights and self-determination of peoples;

F. The principle that the states will meet with good will the commitments they have made according to the UN Carter.

5. Panama also uses as points of basic reference of the national and international policy the Declaration on Decolonization (Resolution 1514/XV of 14 December of the UN General Assembly), the Declaration of the Permanent Sovereignty of the Peoples and Nations Over Their Natural Resources (Resolution 1803/XVII of 14 December 1962) and the Declaration on the Establishment of a New International Economic Order (Resolution 3201S/II of 1 May 1974).

6. The issue of strengthening international security was specified in the declaration to this effect proclaimed by the General Assembly in its Resolution 2734 (XXV). This subject is closely related to international detente, which Panama supports. Upon examining this topic, the General Assembly last year approved two resolutions entitled "Nonintervention in Domestic Affairs" and "Strengthening of International Security."

The Panamanian Foreign Ministry will promote the adoption of a declaration on nonintervention in the domestic affairs of states.

To defend this principle, the Panamanian Government will declare as a basic tenet of its foreign policy its rejection of the presence of foreign military forces in any country or nation of the world.

This presence is not only a serious threat to international peace and security as a consequence of the actions of reprisals which it could entail, but also places in the hands of foreign forces strictly internal struggles.

The Panamanian Government is in favor of the idea that this principle of nonintervention be the subject of more precise specifications in order to promote joint action among the nonalined countries. For example, some harshly criticize the military technical assistance that the USSR and Cuba are giving in some regions of Africa. Others also harshly censure the technical and military assistance which the United States, France, Belgium, Morocco and other countries grant in the same regions. The occupation of Cyprus by Turkey, the armed action of Israel in Lebanon and other neighboring countries provoke similar and contradictory reactions.

The Panamanian Government, therefore, cannot justify or excuse any action by the East or West aimed at impeding the specific right of people to self-determination, nonintervention in the domestic affairs of each country and respect for the sovereignty and territorial integrity of all nations. In the forthcoming meeting of the ministers of the nonalined countries to be held in Belgrade, Panama will advocate that additional steps be taken regarding these topics and coordination on the new paths to be taken within the policy of nonalinement.

7. Panama gives special importance to: consultation by the Latin American group in the United Nations; the Group of 77; and its status as a member of the nonalined movement.

8. Panama reaffirms its commitments made as a member of the OAS, recognizes the validity of the inter-American system and reiterates its desire to see the OAS Charter amended and the organization become more operative and functional.

Panama supports the new negotiations which have been opened with the United States in order to solve the problems affecting the economic relations of this country with Latin America, especially regarding trade, financing and developing cooperation.

The possibility that the negotiating group, set up by a resolution of the Eighth General Assembly of the OAS, will meet in Washington next September could mean substantial progress toward the materialization in Latin America of a new International economic order.

II. Specific Aspects

In accordance with the principles that inspire its foreign policy, the Republic of Panama defines its position regarding the following issues:

1. Latin America

In its role as a signatory of the Ayacucho declaration signed in Lima on 9 December 1974 and in accordance with the motives that inspired Bolivar's convocation of the Amphictyonic Congress of Panama, the Panamanian state acknowledges as a fundamental element of its foreign policy the fact that the historic and essential commitment of the Latin American hemisphere is to unite in order to achieve economic and social liberation and the scientific and technological advance of the countries that compose it, thus accelerating their integration.

Panama endorses the idea of Latin American nationalism based on solidarity and the acknowledgement of a pluralistic reality. Regarding this, it reaffirms its position--already stated in previous pronouncements--to the effect that in view of the current international situation, the strengthening of Latin American nationalism requires a definition of the area's problems and of solutions not characterized by interference, as well as a definition of new forms of joint action aimed at promoting the authentic values of our nations and at preventing alien policies, actions or measures seeking to undermine the personality of our peoples and the sovereignty of our states from prospering in Latin America.

2. Panama's Relations With Its Border Countries

The Panamanian Government will place the greatest effort on maintaining its relations with its border countries, Colombia and Costa Rica, at their highest level of cordiality and cooperation. Regarding this, it acknowledges the need of these border states to coordinate their efforts in order to achieve the development and a balanced and harmonious use of their border regions. To this effect, Panama will propose the creation of coordinating intergovernmental commissions for the establishment of a border regime which, based on technical studies, will facilitate the joint promotion of the development of these border areas at a national, bilateral and multinational level.

3. Human Rights

Panama advocates respect for human rights. It endorses the creation of the inter-American human rights court and the Human Rights Commission.

Regarding denunciations against certain Latin American countries at various international forums for the purpose of having them condemned for their violation of human rights, Panama feels that the adoption of those sanctions often harms the efforts or negotiations which in many cases might be carried out directly to obtain a solution in accordance with the universal declaration and agreements on human rights.

4. Disarmament

As a signatory of the Tlaltelolco treaty and of the Ayacucho declaration, Panama will cooperate with all available means to reach an effective ban on nuclear weapons in Latin America and an agreement on the limitation of conventional weapons in the Latin American countries so that each one of them may have more resources to devote to social and economic development.

5. Cuba

Panama looks with favor upon the current efforts aimed at a normalization of relations between the United States and Cuba. Moreover, it reiterates its position in favor of the lifting of the U.S. embargo against Cuba as well as its solidarity with that country for the recovery of the Guantanamo Naval Base.

6. Belize

As cosponsor of Resolution 32/32 of the UN General Assembly, Panama reaffirms its support for the independence and territorial integrity of Belize.

Panama favors a direct understanding between Guatemala and Belize in the search for a negotiated and peaceful solution that responds to Belize's aspirations. We do not relieve Britain of its commitments and responsibilities, because as a colonial power it has a historic debt to the people of Belize.

7. Guatemala

The peoples of Guatemala and Panama have a long tradition of friendship and cooperation. Panama deplores the previous Guatemalan Government's decision to break diplomatic relations with our country and expresses its willingness to proceed to the reestablishment of these relations on the basis of the most profound mutual respect.

8. Argentina

Support for Argentina in its just aspiration that the Malvinas territory be returned to its sovereignty.

9. Puerto Rico

It advocates the exercise of the right of free determination by the people of Puerto Rico.

10. Bolivia

Unrestricted support in its effort to peacefully obtain a sea outlet under Bolivian sovereignty.

11. Middle East

Regarding the Middle East conflict, Panama believes that it should be solved within the framework of the United Nations. The parties should conform to the resolutions of the General Assembly and the Security Council, especially UN Resolutions 242 and 338. According to Panama, a just and lasting solution should include:

A. The withdrawal of Israel from all occupied Arab territories;

B. Respect for the inalienable rights of the Palestinian people; and

C. The right of Israel and of the states and peoples of the area to live in peace, within specific and secure borders. (See UN Security Council Resolutions 242 and 338.)

Panama recognizes the inalienable rights of the Palestinian people regarding their free determination and own independent state.

12. Jerusalem

The Government of Panama agrees with the consensus reached by the UN Security Council on 11 November 1976, with the consent of its permanent members (the United States, the Soviet Union, Britain, France and the People's Republic of China), in which it was decided, among other things, that all measures taken by Israel to change the status of Jerusalem are null and should be left without effect.

Panama, in similar fashion to the Vatican, does not recognize the annexation of Jerusalem and will insist on the internationalization of holy places.

13. Cyprus

Panama favors a prompt solution to the Cyprus conflict and full compliance with UN General Assembly Resolution 32/12 and Security Council Resolution 365.

14. Southern Africa

Panama supports, without any reservations, the aspirations of the African people of Zimbabwe, Namibia and Azania and reaffirms its solidarity with the "frontline" countries and the liberation movements in southern Africa.

15. Western Sahara

Panama supports the right to free determination of the Western Saharan people and acknowledge the existence of the Saharan Democratic Arab Republic.

16. Indian Ocean

It maintains its support and adherence to the declaration of the Indian Ocean as a zone of peace.

III. Economic Projection of Panamanian Foreign Policy

The Panamanian Government is making continuous efforts to complete its liberation through a program that is aimed at achieving the construction of its own destiny in the socio-economic area, characterized by national development and social progress to permanently guarantee a just participation of our people in economic and cultural life and to promote the full realization of the Panamanian man.

With these objectives in mind, the Panamanian state supports all international efforts aimed at achieving a greater access for nontraditional products from developing countries into the markets of industrialized countries. Panama participates in the coordinated action of the Group of 77 and also agrees with different efforts being taken to stabilize international markets for traditional products and raw materials--such as bananas, copper and coffee--produced in developing countries.

Panama realizes that its political independence depends upon the achievement of a greater economic independence. It also realizes that being a country with a small market, Panama is to achieve that independence through the interdependence with other countries and the expansion of markets for its products and sources of imports. Consequently, it considers the diversification of its exports and of the markets to which it will direct them as the main objectives of its international economic policy.

Within the international economic framework, Panama recognizes the reality of free and open trade and attributes great importance to a knowledge of it as well as its operation for the development of the peoples. For this reason, it considers it of a priority nature to improve its trade relations not only with Latin America and North America, but with Western industrialized countries and also to increase its exchange with the socialist and Third World countries.

Panama considers its trade relations with several organizations for the economic integration of the Latin American region and subregion as most important and gives full support to the efforts and achievements of these organizations. For this reason, Panama has signed agreements for free trade with Central America, has been the seat for the creation of the Latin American economic system, the main promoter in the creation of the Latin American Export Bank and participates in the negotiations and forums aimed at achieving the economic integration of Latin American countries.

The Panamanian state will take firm steps on its foreign policy to put into effect the UN program for the establishment of a new international economic order that will end unfair international economic relations and will fully satisfy the legitimate demands of the people of Latin America and the Third World which, like Panama, are waging a continuous struggle for national development and social progress.

FOREIGN DEBT TO BE REFINANCED

PA190352Y Panama City Televisora Nacional in Spanish 2315 GMT 18 Jul 78 PA

[Station reporter Luz Maria Noli interview with Panamanian Planning and Economic Policy Minister Nicolas Ardito Barletta on 18 July 1978--recorded]

[Excerpts] [Question] Mr Minister, what is the significance of a $300 million loan to refinance the debt?

[Answer] On Friday in London we will sign with 98 banks a $300 million loan to refinance the country's foreign debt. This simply means that, instead of having to pay that amount of the debt in the next 4 1/2 years, we are going to extend it to 10 years.

[Question] Mr Minister, how much does the country really owe?

[Answer] The public sector debt currently amounts to 2.1 billion. Of this, the foreign debt amounts to $1.5 billion. The rest is the country's internal debt. This separation is important because the internal debt, such as the issuance of bonds in Panama or the debt among several state agencies, is comprised of national funds that contribute to the country's development. The foreign debt is comprised of funds that the country requests from the rest of the world, from the banks, to use them for our development. That is the current level of debt.

I think it is also necessary to explain another aspect of the debt. The public sector debt is divided into three parts: the debt of the central government, which is the one that is paid on the basis of tax revenues; the debt of the state autonomous entities, which is paid and financed with the revenues produced by the services which those states entities provide, such as the telephone and electric power companies; and the debt of the state enterprises, which is also paid on the basis of the production [as heard] of those state enterprises. This separation is important because the central government's debt, out of the total figure I mentioned, amounts to $1.2 billion. With this refinancing we are reducing the service of that debt from 31 percent of the budget to 28 percent of the budget; that is, from each balboa of revenue that the central government receives, instead of paying 31 cents in servicing the debt, from now it will spend spproximately 28 cents.

I would also like to point out that the service of the country's foreign debt is 13 percent of Panama's exports. This is a good indicator. In other countries, such as Brazil and Mexico, the service of their foreign debt is more than 20 percent of their exports. Panama's 13 percent is still at a reasonable level.

HONDURAS

SECURITY FORCES CONDUCT ARMS CONFISCATION OPERATION

PA201520Y Tegucigalpa Voz de Honduras Network in Spanish 1220 GMT 20 Jul 78 PA

[SERCANO Network]

[Text] The public security forces are conducting a nationwide arms confiscation operation to seize the large number of weapons currently in the hands of private citizens. Security officials are in charge of the patrols which are located in strategic places throughout the country. During this operation no exceptions are made, as weapons are seized from everybody, with or without permits from the appropriate authorities, which in this case happen to be the Defense Ministry and the public security forces. This was the explanation given to this station yesterday regarding this operation.

SOME PEASANTS RELEASED; MANY STILL IMPRISONED

PA201602Y Tegucigalpa Voz de Honduras Network in Spanish 1220 GMT 20 Jul 78 PA

[SERCANO Network]

[Text] Several peasants affiliated with the Honduran Peasants National Association and the UMC [not further identified] who were arrested in the wake of the land occupations that took place in April and May have been released. The announcement was made by peasant leaders who added that at least over half of those arrested are still imprisoned in Santa Rosa de Copan, Santa Barbara, San Pedro Sula and Yoro.

After visiting all of the country's jails to learn of the prisoners' legal situation, the national agrarian reform commission has established that the number of prisoners exceeds 300. Several peasants have been released, but this is not the way the peasant organizations want it, said a leader of the Federation of Honduran Agrarian Reform Cooperatives. He added that the desirable thing would be for the military government to order the immediate release of all prisoners and those arrested under charges of committing crimes not involved with agrarian problems. [sentence as heard]

NICARAGUA

SHOTS FIRED AT GOVERNMENT HOUSE, GUARD HEADQUARTERS

PA210022Y Buenos Aires LATIN in Spanish 2355 GMT 20 Jul 78 PA

[Text] Managua, 20 July (LATIN)--Eyewitnesses have reported that unidentified persons today fired at the government palace and the National Guard headquarters from a centrally located hotel. According to the sources, the shots came from the balconies of the Intercontinental Hotel following a strong explosion.

The attack caused immediate mobilization of security forces, including tanks, to respond to the attack, the eyewitnesses added.

Hotel employees said that the explosion was caused by the simultaneous detonation of two bombs in an unoccupied room which caused damage but no injuries. At the same time the bombs exploded, shots were fired at Government House and the National Guard headquarters.

A few minutes later heavy armed National Guardsmen occupied the hotel and began searching every floor. No one is allowed to enter or leave the building.

'Intense Shooting' in Managua

PA21020Y Panama City ACAN in Spanish 0135 GMT 21 Jul 78 PA

[Text] Managua, 20 Jul (ACAN-EFE)--Intense shooting is now going on in the center of Managua after the explosion of two terrorist bombs on the seventh floor of the Managua Intercontinental Hotel. Nicaraguan National Guardsmen came to the scene to investigate the bombings and sealed off the hotel, allowing no one to enter or leave.

As night fell, constant shooting could be heard. The situation is confusing on Tiscapa Hill, where the provisional offices of Presdient Anastasio Somoza, the army general staff and the infantry basic training school, which is under the command of Somoza's oldest son, are located. The National Guard has staged a massive operation to capture the authors of the Intercontinental Hotel bombings. The majority of the hotel's rooms are occupied by tourists and businessmen.

Up to 1900 (0100 GMT) no official report had been issued on what is happening on Tiscapa Hill and the surrounding area, which is under strict military control.

Tiscapa Hill Sealed Off

PA210324Y Panama City ACAN in Spanish 0255 GMT 21 Jul 78 PA

[Test] Managua, 20 July (ACAN-EFE)--The Nicaraguan National Guard is in full control of an area covering five blocks around the Managua Intercontinental Hotel and the military installations on Tiscapa Hill in downtown Managua.

No shots have been fired since 1900 (0100 GMT) following the shootout that took place earlier in the area when army patrols engaged in a search operation for the unidentified persons who this afternoon exploded two bombs in the hotel, which is located on the hill. The army has erected barricades with rocks and construction materials in an area where only military vehicles are now allowed. In the northeast and west sides of Tiscapa Hill other vehicles are being detoured north and south.

Nicaraguan Red Cross ambulances have taken up positions at three different locations around the area under military control. Armored vehicles have taken up positions in strategic locations approaching the army installations. Lights have been turned off in most of the hotel rooms, and no one is allowed into or out of the hotel.

It has been unofficially reported that following the terrorist attack on the hotel there was a clash between soldiers and elements who are probable members of the Sandinist National Liberation Front, which is struggling to overthrow the Nicaraguan regime. There are also reports that three wounded civilians have been taken to the military hospital located on the same hill.

Army patrols carrying sandbags on their jeeps are now surrounding the area.

OPPOSITION SAYS NEXT STEP WILL BE LIBERATION

PA202315Y Panama City ACAN in Spanish 1903 GMT 20 Jul 78 PA

[Text] Managua, 20 July (ACAN-EFE)--The Nicaraguan opposition feels that behind the "positive results" of the general strike that it staged yesterday "there remains the task of organizing the people to achieve liberation on a short-term basis, "which means the "complete overthrow of the government."

This statement was made by Rodolfo Robelo, secretary general of the Independent Liberal Party, which promoted the national strike in the Broad Opposition Front.

Robelo said today that "the people responded to the call to support the strike on the 'day of national dignity against bloody repression.' The next call will be for the complete overthrow of the government."

The opposition feels that yesterday's strike was 80 percent effective. However, official circles are saying exactly the opposite.

The local morning newspaper NOVEDADES, owned by President Anastasio Somoza's family, says that "the terrorist threat was to no avail. Nicaragua is determined to work and prosper in peace." NOVEDADES stresses that 80 percent of the businesses opened their doors in "defiance of the watchword of deceit."

The government's press office reported that, "despite the publicity mounted far in advance, the stoppage decreed yesterday against President Somoza's government by the minority opposition, which follows international communism's slogans, did not in the least affect the major activities of national life."

The same office called a news conference for tomorrow, Friday, during which the president will refer, among other topics, to the nationwide stoppage.

The opposition evening newspaper LA PRENSA, reporting on the strike, says that "the entire country remained in active silence" and carries a banner headline saying: "Closed Doors Shout 'No More Somoza.'"

U.S., NATO MILITARY EXPENDITURES CONDEMNED

FL201323Y Havana Domestic Service in Spanish 1045 GMT 20 Jul 78 FL

[Revolutionary Armed Forces and Interior Ministry Combatants Political Information Program--commentary]

[Text] No sooner had a new round of Soviet-North American talks on the limitation of strategic arms begun in Geneva than the U.S. Senate approved a bill allocating $36.1 billion to the Pentagon for the purchase of new arms and research work on new weapon systems. The bill, which had been previously approved by the House of Representatives, includes the continuation of the program on the development of mass extermination weapons, such as the MX mobile missile, the cruise missile and the Trident submarine, all of them for the U.S. nuclear arsenal.

The budget also includes $900 million for the construction of another nuclear super aircraft carrier and the mass production of the new F-18 supersonic jet fighters for the navy. Generally, this is the reaction of the Washington administration every time it comes to the negotiating table to talk about peace, detente or disarmament; that is, it increases the military budget and weapons systems.

But what did the White House do when it left the Geneva negotiating table? It approved another bill allocating 3.9 billion more dollars to the Pentagon on military construction projects which include the expansion and modernization of numerous North American military bases abroad.

We would like to recall that when the recent UN General Assembly on disarmament began, imperialist circles responded by holding another meeting in the United States itself for diametrically opposite purposes to strengthen the NATO military arsenal and to increase the number of troops in Europe. The North American government, which does not cease to proclaim itself the champion of human rights, has continued to raise its military budget to higher and higher levels and encourages its allies to do the same thing, further accelerating the arms race.

Last year NATO spent more than $165 billion. Presently the United States alone has a military budget that exceeds the $123 billion and proposes to raise it to nearly $130 billion in the next fiscal year. Despite the fact that the White House announced a decrease in the number of troops abroad, North American specialized circles have recognized that the United States has more than half a million men in uniform in various areas of the world. In Europe alone the number of North American troops exceeds 330,000, while in the Pacific and Far East the number is 154,000 and in Latin American 16,000. At the same time North American imperialism encourages the sale of arms, which during the current fiscal year amounted to more than $13.2 billion. It also gives its aid to the most reactionary regimes on earth, directly or indirectly cooperating with Israel, South Africa, Rhodesia, Zaire, Chile, Nicaragua, Saudi Arabia, Morocco and Iran, among many others.

By stepping up the arms race, arms exports, signing new military treaties and giving aid to the most unpopular regimes on earth, imperialism is trying to preserve what cannot be preserved in a desperate attempt to check the peoples' national liberation movements and hinder socialism's irreversible advance. But step by step the socialist community and the peace- and social progress-loving forces are struggling to achieve new successes in limiting the arms race and in advancing international detente. Parallel to this, the capitalist general crisis is intensifying, reaching unprecedented levels. The capitalist system, like a battered ship, is navigating against the people's revolutionary tide, condemned to sink under the rough seas of history's dialetic future.

YOUNG'S STATEMENT ON POLITICAL PRISONERS ANALYZED

FL200156Y Havana Domestic Television Service in Spanish 0000 GMT 20 Jul 78 FL

[Carlos Mora Herman commentary]

[Text] The statement made in Geneva a couple of days ago by North American Ambassador to the United Nations Andrew Young in the sense that there are thousands of political prisoners in the United States has unleashed a storm in the center of President James Carter's government. It is not easy to determine what is hidden behind this statement by Young or what the objectives were in making the statement that provoked this reaction.

Observers of North American politics come up with several hypotheses. One is based on the fact that President Carter is using Young to improve his image overseas, showing that differences of this magnitude are possible within his government without any consequences, since Young has not been removed from his post. In this case, Young would serve Carter's interests, which are being pressured by the most ultraconservative sectors headed by his security adviser, Zbigniew Brzezinski.

There is a less complicated hypothesis: Andrew Young is working for himself, for his future as a politician, as a popular and progressive figure. In this sense, his position of ambassador to the United Nations hinders him. In many ways it ties him up, and so he tries to have himself expelled, leaving with a halo which would pay him very good dividends in a political career that could take him very far.

Independent from what one could say for Young, it is a fact that has hit a sore point, a point which is very uncomfortable for the government of Washington and Carter's human rights campaign. Young has not lied; what he said is a truth of great proportions. The repressive and classist character of the North American society is translated into historically irreputable facts.

From the time of the Declaration of Independence in 1776 to date, the United States has been growing between intolerance and imperialism, stripping territory from Mexico, engaging in interventionist trampling in Latin America and conceiving a world gendarmerie and the policy of the big stick. The repressive methods against trade union and student organizations, the aggression against the civil rights of the ethnic minorities, the existence of hundreds of thousands of police records against citizens who oppose the North American political system, the interception of telephone conversations and mail of thousands of people, the infiltration of informers and agent provocateurs into progressive organizations are just some of the aspects which contribute to the veracity of the statement made by Young.

It remains to ask what definition of political prisoner the U.S. Government accepts. Andrew Young himself was held in his home state of Georgia, the same state as that of Carter, for organizing a protest movement in favor of the black population's civil rights. The Wilmington 10, as has been recognized by Maryland Democratic Congressman Parren J. Mitchell, are political prisoners. And also the thousands of blacks and poor people could consider themselves to be political prisoners in the United States. Aren't the nine blacks of Scarbord, the five blacks of Charlotte, the Chicanos and the Indians who are imprisoned and repressed by the police political prisoners? Puerto Rican patriots headed by Lolita Lebron, are they not political prisoners? Wasn't the communist Angela Davis a political prisoner?

It is natural for the imperialists to be hurt by the affirmations made by Andrew Young. His statements point out the falseness and hypocrisy behind all of Carter's verbosity on human rights and the campaign being undertaken at this moment in defense of a group of traitors to the Soviet people who are agents of the CIA and docile instruments of Yankee imperialism.

Young has created disorder in the ranks of Carter's government, and the North American President seems to be trapped between two apparently contradictory lines. It has even been said that his adviser Brzezinski is directing a campaign against him to show him as being weak in the eyes of the Soviets.

Maybe what Andrew Young wants is to fish in troubled waters for his own benefit. In any case, his words have revealed that one cannot presume to honor someone who runs screaming thief while carrying the booty of the crime in his hands.

RAMIRO VALDES REPORTED AT FUNCTIONS IN HOLGUIN

Moa Review Meeting

FL210008Y Havana Domestic Service in Spanish 2300 GMT 20 Jul 78 FL

[Text] Commander of the Revolution Ramiro Valdes, member of the Politburo and vice president of the Council of State and Council of Ministers, has presided over the meeting reviewing the mining-metallurgical program for the first quarter of the year which was held in Moa, Holguin Province. (Noe Romero), director of construction enterprise no. 3, reported that the construction plan was fulfilled and pointed out the effort that will be given to the projects which will be completed to salute the 25th anniversary of the assault on the Moncada barracks and the 11th World Youth and Student Festival.

On 24 July in Moa, a base to support the construction of the new nickel plan will be inaugurated, the port will be enlarged, and various schools will be completed, in addition to a lodge which will have a capacity for 5,700 construction workers.

Commader of the Revolution Ramiro Valdes called on the workers and managers of the construction materials enterprise of the northern Oriente region to make an effort to come up with solutions which will allow that industry to respond to demands made by the mining-metallurgical development programs. Ramiro Valdes was accompanied by Miguel Cano, member of the Central Committee and party first secretary in Holguin Province, and other PCC and government leaders.

Holguin Construction Meeting

FL210026Y Havana Domestic Service in Spanish 2300 GMT 20 Jul 78 FL

[Text] Politburo member Ramiro Valdes has presided over the Construction Materials Industry and Construction Ministries meeting in Holguin to study the provincial management of the two organizations during the first half of the year. The six construction materials industry enterprises fulfilled their technical-economic plans in the aforementioned period and their value rose by 56 percent in comparison with the similar period last year.

For its part, the Construction Ministry reported that between January and June four basic urban schools were completed, three with a capacity for 600 students each and the other, in Mayari Municipality, has a capacity for twice as many students. The Holguin Province representatives stated that for August they hope to complete 13 important social projects, among them secondary basic urban and rural schools, a child care center and a primary semi-boarding school.

Present with Commander of the Revolution Ramiro Valdes at the Holguin meeting were Miguel Cano Blanco, member of the Central Committee and party first secretary in that province, Construction Materials Industry Minister Jose Valle Roque, and First Deputy Minister Raul Cabrera.

RESOLUTION ISSUED ON HOLDING OF CONCURRENT JOBS

FL202334Y Havana Domestic Service in Spanish 2102 GMT 20 Jul 78 FL

[Text] The State Committee for Labor and Social Security has just issued Resolution 137, which establishes the possibility of concurrently holding [simultanear] various jobs or professions. The new resolution states that budgeted enterprises and units can plan for workers to hold concurrently along with their basic jobs, one or more additional jobs or professions. Concurrently held job or profession is defined as one or more additional jobs or professions which are carried out during the daily or weekly work schedule of the main job or profession.

Article 4 of Resolution 137 states that concurrently held jobs or professions can be total or partial. They are total when the worker carries out all the tasks necessary within his profession or job, for example, an automatic line operator who at the same time is a mechanic working on the equipment.

Resolution 137 establishes that the salary increase resulting from concurrently held jobs will be 25 percent of the rate establisheed for the additional job or profession in totally concurrent cases. When the aforementioned concurrently held job is only partial, that is, when the worker does not assume all tasks required by the additional job or professions, he will be paid 25 percent of the proportion of the task that he does accomplish.

To hold various jobs or professions concurrently, Resolution 137 has the following requirement: Concurrently held jobs or professions will be systematically applied and must result in a reduction in the work staff. Other requirements needed to put the resolution into effect state that an increase in work productivity must always be greater than the average salary and that the jobs or professions to be held concurrently held cannot be part of a job qualification. [sentence as heard]

Dominican Republic

BALAGUER ANNOUNCES MAJOR CHANGES IN ARMED FORCES, POLICE

PA210435Y Paris AFP in Spanish 0418 GMT 21 Jul 78 PA

[Text] Santo Domingo, 20 July (AFP)--Shortly before midnight tonight President Balaguer announced several important changes in the armed forces and the national police.

According to a decree, the changes are as follows:

Maj Gen Enrique Perez, army chief of staff;
Maj Gen Neit Nivar Seijas, chief of the 1st Army Brigade;
Air Force Gen Salvador Lluberes Montas, Dominican Air Force chief of staff;
Gen Robinson Brea Garo, chief of the national police;
Cols Paulino Reyes de Leon and Antonio de los Santos, deputy chiefs of the national police;
Maj Gen Marcos Jorge Moreno, coordinator of the armed forces;
Air Force Gen Renato Malagon, coordinator of the Dominican Air Force.

GUZMAN REACTS TO RECENT GOVERNMENT CHANGES

PA201329Y Paris AFP in Spanish 0353 GMT 20 Jul 78 PA

[Text] Santo Domingo, 19 Jul (AFP)--President-elect Antonio Guzman today suggested to President Joaquin Balaguer that he abstain from carrying out any change that could seriously affect important sectors of the state structure.

Guzman, who will assume the presidency on 16 August, stated that the executive branch "should not make changes that could affect certain government areas" now that the present administration's term in office is coming to an end. Guzman implied that Balaguer should have left for the new government the measures that the departing administration has been carrying out over the past few days.

Answering a newsman's question, the president-elect commented on the bills that would give the armed forces control over the National Investigations Directorate and create low-cost dining halls. These bills have been sent to the Senate by Balaguer. Guzman also discussed another bill to modify the civil law code so that military courts could try military personnel, including retired military personnel, for any crime.

Guzman stated: "I am referring not only to these bills but also to any other bill that may come up." Guzman explained that he does not mean to criticize Balaguer "since he has the right to adopt whatever measures he deems suitable." Guzman stated: "My position in this regard does not result from the fact that the armed forces will be the institution most favored by these changes suggested by the executive branch. It would make no difference if the case involved any other institution."

NEWSPAPERS CRITICIZE CONGRESSIONAL ACTIONS

PA202353Y Madrid EFE in Spanish 2056 GMT 20 Jul 78 PA

[Text] Santo Domingo, 20 Jul (EFE)--President Joaquin Balaguer has submitted another bill to the Dominican Congress--which quickly approved it without even reading it--to limit the changes which his successor can make within the armed forces.

It was reported today in Santo Domingo that the new organic armed forces law provides that only generals who have that rank now can become chiefs of the different corps and increases their maximum term in office from 1 to 2 years. This is another of the changes made to the armed forces law by the present Dominican Government, whose term in office expires next month, when President-elect Antonio Guzman takes office.

The newspaper LISTIN DIARIO criticized the speed with which the Congress has been operating in the last few days says that "laws are being enacted to paralyze the new government" since measures are being approved which drastically curtail the rights considered customary under the present government. The newspaper EL SOL concedes that some of the changes tend to institutionalize the armed forces, protecting them for the political games of the executive branch, but it deplored that these measures were not enacted previously, but now, on the eve of relinquishing the government. The paper also criticized the legislators, labeling their action as a "sad legislative circus" and referred to the last session of Congress by saying that "it will pass into the history of legislative irresponsibility" for approving a bill without, hardly reading it.

GUYANA

JAGAN CRITICIZES CHINA ON EVE OF KENG PIAO'S VISIT

PA2021537Y Paris AFP in Spanish 1124 GMT 20 Jul 78 PA

[Text] Georgetown, 20 Jul (AFP)--Chinese Vice Premier Keng Piao will arrive here today from Jamaica at the head of the most important Chinese delegation ever to visit the Caribbean.

On the eve of this visit, opposition leader Cheddi Jagan, leader of the pro-Soviet People's Progressive Party, launched an attack on China which included publication in the newspaper MIRROR of an editorial published by GRANMA, the official organ of the Communist Party of Cuba. The editorial pointed out the risks involved in a confrontation between the United States and the Soviet Union, which might harm efforts being made on behalf of international peace.

Vice Premier Keng Piao's visit has been interpreted here as a part of China's diplomatic offensive to counteract Soviet influence through Cuba in the Caribbean and to indicate the Havana government's estrangement from the nonalined movement.

BURNHAM MEETS WITH CUBA'S MALMIERCA

FL2015007 Georgetown GUYANA CHRONICLE in English 14 Jul 78 p 16 FL

[Text] President Fidel Castro's special Cuban envoy, Cde Isidoro Malmierca, had three hours of discussion yesterday with Prime Minister Forbes Burnham and other ministers of government. He left the country later in the day.

The discussions, which centred on non-alignment, Latin America and the international situation, are taking place prior to the conference of the foreign ministers of non-aligned countries from August 25-29 in Belgrade, Yugoslovia.

The next summit conference of non-aligned countries is scheduled to take place in Havana, Cuba, next year. It is also expected that the dates of other meetings between groups of non-aligned countries to take place before the summit will be fixed at the Belgrade conference.

In picture, Cde Malmierca is accompanied by Guyana's Foreign Affairs Minister Cde Rashleigh Jackson to the VIP lounge at Timehri airport after he arrived Wednesday night.

NETHERLANDS ANTILLES

ROZENDAL TERMS VISIT TO VENEZUELA PRODUCTIVE

PA182017Y Caracas Diplomatic Information Service in Spanish 1236 GMT 18 Jul 78 PA

[Text] Curacao, 17 Jul (VENPRES)--Minister-President Sylvius Rozendal considered his recent visit to Venezuela very productive and successful. He said this at a news conference during which he announced that a ministerial-level coordination organization has been created by the two countries which will be presided over by Venezuelan Foreign Minister Simon Alberto Consalvi and Netherlands Antilles Minister-President Rozendal.

Rozendal told newsmen that during the working meetings several important issues were discussed with positive and specific results, including air transportation, water supply to Curacao, selective immigration, fishery agreements, economic aggreements, medical assistance, scholoarships and electricity.

Rozendal explained that one of the main subjects discussed during his visit was permits for ALM (Antillian Line) charter flights which was satisfactorily solved, complying of course with exisiting civil aeronautics fees. In turn, the Netherlands Antilles agreed to the petition of charter flights.

In the medical assistance field, Rozendal said that Venezuela offered all kinds of cooperation based mainly on joint studies and Venezuelan assistance, especially in regard to the large number of persons with cancer in the Netherland Antilles and Venezuela.

With regard to selective immigration, Rozendal explained that this matter was considered from every angle and that they reached a conclusion that it represents a solution to unemployment in the Netherlands Antilles. The Venezuelan Government has a list with the names of 160 trained persons who are interested in working in Venezuela. "This disadvantage could become an advantage," Rozendal pointed out. He explained that selective immigration is practiced in other parts of the world. A Venezuelan delegation will be going next week to Curacao to select these persons.

Talks between Venezuela and the Netherlands Antilles will be carried out at the end of October or in November, probably in San Martin, a nearby island.

URUGUAY

PRESIDENT MENDEZ SPEAKS AGAINST REELECTION

PY201849Y Montevideo Cadena de Oro del Interior in Spanish 1600 GMT 20 Jul 78 PY

[Excerpts] During the speech he made in the city of Rivera today, President Aparicio Mendez stated that the government is moving forward step by step and does not move a single step backward. He made this remark at the Casino Hotel in this border town after holding a meeting with representatives of local groups.

None of us present here must be reelected, said the chief of state in his speech from the city of Rivera. He then went on to discuss the procedures used by the government as a whole and the means it has available to convey and disseminate ideas and actions.

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